



Restaurant
& Catering

MEDIA RELEASE
5 September 2018

SMALL BUSINESS WINNERS IN SOUTH AUSTRALIAN STATE BUDGET

Restaurant & Catering Australia (R&CA) has welcomed funding commitments for small businesses in the hospitality sector announced in yesterday's 2018-19 South Australian State Budget.

Delivering on its previous election commitment, the South Australian Government has allocated funding of \$157.2 million over four years to abolish payroll tax for all small businesses with payrolls of \$1.5 million or less.

R&CA CEO Juliana Payne praised the South Australian Government's commitments to reducing the burden of payroll tax for small businesses, stating that the measures will result in more jobs being created across the hospitality sector.

"Given that over 90 per cent of South Australia's café, restaurant and catering businesses are small business employing 19 people or less, it is critical that the State Government provides a favourable set of operating conditions enabling them to thrive.

"As a result of this budget commitment, South Australia's payroll tax threshold will be the highest out of any state in Australia when these changes come into effect and will be the second highest out of all jurisdictions.

"By relieving the burden of payroll tax, this will allow hospitality operators to more readily expand their businesses and employ more people without the prospect of being hit with extra taxes," Ms Payne said.

Ms Payne also welcomed the State Government's decision to fund an additional 20,800 new apprenticeships and traineeships through a partnership with the Commonwealth Government at a cost of \$203 million.

"Chronic skills shortages across key occupations such as cook, chef and café and restaurant manager are severely hampering the productivity and output of the State's hospitality sector.

"The State Government's investment in skills and vocational education and training in today's Budget is a desperately needed measure to help reverse this worrying trend.



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“We therefore welcome the Government’s commitment to establishing over 20,000 additional apprenticeship and trainee places and to build the new state of the art International School of Culinary Excellence, Hospitality and Tourism on the site of the former Royal Adelaide Hospital.

“Whilst the benefits of these budgetary measures will not be immediate, a long-term approach must be taken to address the problems of chronic skills shortages in the hospitality sector,” Ms Payne said.

For further information on this media release, please contact:

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